THE WEEKLY OF
BUSINESS AVIATION™

JUL 20 1987

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AVIATION BUSINESS will never return to its peak production levels of the late 1970s, Raytheon CEO Thomas Phillips told stockholders recently, "but we believe general aviation has a reasonable future. We're not going to perform miracles at Beech, but we intend to operate on a frugal, belt-tightening basis with the management we have and see the Starship through," he said.

PIPER AIRCRAFT'S new owner, M. Stuart Millar, is expected to announce reduced prices for at least some of the company's product line next month at the Experimental Aircraft Association convention in Oshkosh, Wis. Millar said he intends "to make owning and flying aircraft more affordable."

FLIGHTSAFETY INTERNATIONAL reported over 30 cents in net income for every dollar of revenue during the first six months of 1987.

LAS VEGAS, NEV. could play host to the National Business Aircraft Association convention early in the 1990s. After years of ignoring the convention amenities Las Vegas offers, the NBAA board recently added the city to its list of approved convention sites. Existing schedule of convention sites—New Orleans, Dallas, Atlanta and Houston—extends through 1994, but Las Vegas could be substituted for one of those cities.

GLICKMAN, STIMPSON URGE LEGISLATORS TO REJECT 10 PERCENT TAX

The executive committee of the Democratic Study Group, in a private caucus of House Democrats last week, reiterated the viability of levying a 10 percent luxury tax on general aviation aircraft as well as boats, yachts, china and crystal and electronic entertainment devices in an attempt to reduce the federal deficit. Group Chairman Rep. Mike Lowry (D-Wash.) said the luxury tax could raise approximately $3.5 billion in additional revenue over three years. The proposal was initiated in a list of potential revenue-generating measures released late last month by the House Ways and Means Committee (BA, July 6/1).

Ed Stimpson, president of the General Aviation Manufacturers Association, who had previously asked Ways and Means Committee Chairman Dan Rostenkowksi (D-Ill.) to discard the luxury tax proposal, sent a statement to the Senate Finance Committee last week, asking "how can Congress justify the imposition of a luxury tax on something so necessary as business transportation?" He said business aircraft "contribute to a company's business objectives just like new plants, machine tools and other capital equipment." Stimpson said business aviation "has been overwhelmed with proposed tax changes" for the past several years. "Actions by Congress should be taken to stabilize and assist industry, not penalize them as this luxury tax would," Stimpson said.

Rep. Dan Glickman (D-Kan.) stressed to the Ways and Means Committee that aircraft are "vitally important to the economic viability of non-urban areas which are either not served or poorly served by air service." He said with limited air service "it is only logical to assume that firms would move their operations away from areas that are difficult to get to." He said the committee should not want "to take any action which would have the effect of further undermining the rural areas which are so tied to the weak agricultural economy." The tax options, he said, would "add burden to a suffering industry and would cost jobs at a time when we should be working to strengthen this industry. I call on the Committee to reject these options before they worsen an already difficult situation."

NOW ONLINE WORLDWIDE

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Published weekly by the Business Publications Division of Murdoch Magazines, a division of News America Publishing Incorporated

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – SECOND QUARTER UNIT SHIPMENTS

		2nd Quarter 87	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	1	3
TB-10	Tobago	3	14
TB-20	Trinidad	10	27
TB-21	Trinidad TC	2	3
R235		0	0
TOTAL		16	47
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	27	47
BE-F33C	Bonanza	0	0
BE-A36	Bonanza	14	23
BE-36TC	Bonanza	1	4
• Multi-Engine			
BE-58	Baron	5	5
BE-58P	Baron	1	1
BE-76	Duchess	3	3
BE-C99	Airliner	0	0
BE-C90-1	King Air	3	5
BE-F90-1	King Air	0	1
BE-200	Super King Air	8	15
BE-200C	Super King Air	1	1
BE-300	Super King Air	10	16
BE-200T	Super King Air	0	0
BE-1900C	Commuter	2	5
Beechjet 400		3	4
Diamond IA		0	0
TOTAL		78	130
Manufacturers net billing – $72,250,020			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	21	28
HS-748		0	0
BAe 146-100		6	9
BAe 146-200		0	0
HS-125	Model A	5	8
HS-125	Model B	2	4
TOTAL		34	49
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	4	12
Mark III	Trislander	0	2
TOTAL		4	14
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	7	9
TOTAL		7	9
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-172	Skyhawk	0	1
CE-172RG	Cutlass	0	0
CE-182	Skylane	0	0
CE-182	Turbo Skylane	0	0
CE-182RG	Skylane RG	0	0
CE-182RG	Turbo Skylane RG	0	0
CE-U206	Stationair 6	0	2
CE-TU206	Turbo Stationair 6	0	0
CE-208	Caravan I	21	31
CE-210	Centurion	1	3
CE-T210	Turbo Centurion	0	0
CE-P210	Pressurized Centurion	0	0
• Multi-Engine			
CE-303	Crusader	0	0
CE-402		0	0
CE-406	Caravan II	2	3
CE-414	Chancellor	0	0
CE-421	Golden Eagle	0	0
CE-425	Conquest I	3	4
CE-441	Conquest II	1	6
CE-550	Citation I	0	0
CE-550	Citation II	3	3
CE-S550	Citation S/II	10	13
CE-650	Citation III	6	17
REIMS AVIATION			
• Single-Engine			
CE-F152	Aerobat	4	18
CE-F172	Skyhawk	0	0
TOTAL		51	101
Manufacturers net billing – $100,670,626			
AVION-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	0
AD-My.200	Falcon	0	2
AD-My.50	Falcon	2	3
AD-My.900	Falcon	0	6
TOTAL		2	11
DE HAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5	Buffalo	0	0
DHC-6	Twin Otter	1	1
DHC-7		1	1
DHC-8		13	18
TOTAL		15	20
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	6	11
EMB-711	Corisco	0	0
EMB-712	Tupi	1	1
EMB-720	Minuano	2	4
• Multi-Engine			
EMB-110	Bandeirante	3	4
EMB-120	Brasilia	9	13
EMB-121	Xingu	1	1
EMB-810D	Seneca II	12	18
EMB-820		0	0
EMB-821	Carajah	2	4
TOTAL		36	56
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		16	21
Expediter		0	0
TOTAL		16	21
GATES LEARJET			
• Multi-Engine			
LR-35A		2	2
LR-36A		0	0
LR-55		1	2
TOTAL		3	4
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	4	6
GR-1159C	Gulfstream IV	8	11
TOTAL		12	17
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	4	4
1124A	Westwind 2	0	0
Astra		1	1
TOTAL		5	5
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		2	2
LA-250	Renegade	6	8
TOTAL		8	10
Manufacturers net billing – $2,357,617			

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		2nd Quarter 87	Cal. Year
MAULE AIR INC.			
• Single-Engine			
M-5-180C		1	3
M-5-200		0	0
M-5-235C	Lunar Rocket	1	2
M-6-235		1	2
MX-7-180	Super Rocket	1	3
M-7-235	Super Rocket	4	10
MX-7-235		6	15
TOTAL		14	35
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201 Lean Machine	9	17
M-20J	205	10	22
M-20K	231	0	0
M-20K	252	21	34
TOTAL		40	73
PARTENAVIA S.P.A.			
• Multi-Engine			
P68		0	0
P68C-TC		0	3
P68	Observer	0	0
P68	Observer TC	0	0
Spartacus		0	0
TOTAL		0	3
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-28-161	Warrior	10	13
PA-28-181	Archer II	10	25
PA-28-236	Dakota	12	12
PA-28RT-201T	Turbo Arrow IV	14	18
PA-32-301	Saratoga	10	15
PA-32R-301	Saratoga SP	5	6
PA-32R-301T	Turbo Saratoga SP	2	2
PA-46-310P	Malibu	17	33
• Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31-500	Cheyenne IA	0	1
PA-31-620	Cheyenne IIXL	1	2
PA-34-220T	Seneca III	24	33
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	4	6
PA-42-1000	Cheyenne 400LS	1	3
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1040		0	0
TOTAL		110	169
	Manufacturers net billing – $26,650,000		
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	0
SD-3-60		2	12
TOTAL		2	12
	SINGLE-ENGINE	235	416
	MULTI-ENGINE	218	368
	GRAND TOTAL	453	784

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	2nd Quarter			Calendar Year to Date		
	1987	1986	1985	1987	1986	1985
Aerospatiale	16	28	10	47	43	*
Beech	78	56	92	130	109	146
British Aerospace	34	18	23	49	34	35
Britten-Norman	4	3	6	14	4	6
Canadair	7	3	1	9	4	2
Cessna	51	105	202	101	267	406
Dassault	2	6	7	11	10	13
De Havilland	15	14	11	20	20	18
Embraer	36	28	24	56	47	55
Fairchild	16	12	5	21	16	9
Gates	3	4	9	4	6	13
Gulfstream	12	15	13	17	8	26
Israel	5	3	0	5	5	0
Lake	8	10	6	10	12	11
Maule Air	14	17	24	35	32	41
Mooney	40	34	17	73	60	42
Partenavia	0	7	0	3	12	*
Piper	110	60	154	169	136	287
Short	2	4	2	1	11	6
TOTAL	453	417	606	784	836	1,148

* Figures not available